

American Recovery and Reinvestment  
Act of 2009

# Residential and Nonresidential Efficiency Retrofit Program Options

May 4, 6 & 7, 2009  
California Energy Commission

John Sugar  
Manager, Special Projects



# Residential and Nonresidential Efficiency Retrofit Program Goals

- Revolving Loan Programs or Highly Leveraged Funding
  - Fits Direction from Dep't of Energy
  - Greatest Impact for Funding Available
  - Avoid Boom-Bust Cycles of Funding
- Focus on Job Creation and Retention as much as Possible
  - Guiding Principle for Use of ARRA funds
  - Extend Employment through reuse of funds



# Non-Residential Retrofit Program Concepts

- Local Government Loan Program
  - ARRA funds would augment current funding in the Commission's Energy Conservation Assistance Act loan program
- Government Loan Matching Grants
  - ARRA funds would be used to augment the Energy Conservation Assistance Account loan program.
  - Governments borrowing for appropriate projects would receive a grant for a portion of the project.



# Non-Residential Retrofit Program Concepts

- **Building Standards Enforcement**
  - Local building departments enforce the complex state building energy efficiency standards
  - ARRA funds would fund an expert staff person at each building department that applied, to assist other personnel in standards education and enforcement.
- **Small Business Efficiency Loan Program**
  - The Commission would provide ARRA funds as seed money for a non-bank entity to provide low interest loans to small businesses to improve their energy efficiency.



# Non-Residential Retrofit Program Concepts

- Industrial Efficiency Loans
  - Commission Engineers have identified a number of cost-effective industrial efficiency projects
  - The Commission would contract with a non-bank financial organization to provide low interest, ARRA-funded loans for approved industrial efficiency projects
- Small Business Retrofits
  - The Commission would contract to retrofit local businesses, in low income areas, with energy saving measures, such as white roofs, efficient lighting, refrigerator gaskets and refrigeration maintenance materials.

\*\*\*\*\*



# Residential Retrofit Program Concepts

- Local Jurisdiction Retrofit Funding
  - Options for local assessments (AB811) and bond financing
  - Homeowner applies for loan from city or county
  - Loan is for Energy Efficiency Retrofit Work
  - Repayment on Property Tax Bill
- ARRA Funds Possibly used for:
  - Funds go to jurisdiction as initial pool of loan funds,
  - Money for “bridge” financing, as loans are aggregated for a bond sale
  - Funds for loan loss reserve, to keep loan interest rates down



# Residential Retrofit Program Concepts

- Home Energy Ratings System Audits
  - Use ARRA funds to subsidize energy audits and ratings of existing Homes and Multi-Family Buildings
    - Owners then know what upgrades will save energy and money
    - Homebuyers will have information for Energy Efficiency or Energy Star Mortgages
- Neighborhood-Based Weatherization and Retrofits
  - ARRA-funded low income weatherization and retrofits extend to 200 percent of poverty level
  - Use SEP funding for low-moderate income neighborhoods
  - Use preselected measures on homes
  - Economies of Scale from focusing on neighborhoods



# Residential Retrofit Program Concepts

- Home Performance Contract Retrofits
  - Homeowner relies on a home performance contractor to select and make energy upgrades
  - SEP funds subsidize the project, based on savings.

